

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2346 - HB 2571

March 11, 2022

SUMMARY OF BILL: Entitles each county correctional officer employed full-time to receive a pay supplement of \$800 in addition to the officer's regular salary if the officer completes at least 40 hours of in-service training during a calendar year that is commiserate with the officer's rank and experience. Stipulates that each officer is entitled to receive the pay supplement for each calendar year in which the officer satisfies the training requirements, that the pay supplement is a bonus for the successful completion of training, and is not considered part of the county correctional officer's salary for a subsequent years' determination of supplemental pay or for retirement purposes.

FISCAL IMPACT:

Increase State Expenditures - \$3,770,600/FY22-23

Exceeds \$3,767,300/FY23-24 and Subsequent Years

Assumptions:

- The proposed legislation states that the county may collaborate with and utilize the Tennessee Peace Officer Standards and Training Commission (POST) for the purposes of carrying out the requirements.
- The precise nature and extent of any such collaboration is unclear. It is assumed that POST would process and approve the proposed salary supplements in a similar manner as is currently done for police officer pay supplements.
- The proposed legislation establishes that funds must not be expended under this act unless the funds are specifically appropriated for such purposes. Therefore, it is assumed that the proposed pay supplement will be funded by the state and not local government.
- Based on information provided by the Department of Commerce and Insurance (DCI) and the Tennessee Corrections Institute (TCI), there are currently an estimated 6,593 correctional officers employed in Tennessee.
- According to TCI, approximately 35 percent of correctional officer positions eligible under the TCI are vacant.
- It is not known how many of the current 6,593 correctional officers will complete the annual training requirements necessary to received the proposed pay supplements. It is also not known how many of the remaining 35 percent of eligible positions may be filled in the coming years, but the total number of correctional officers is expected to increase.
- It is assumed that the \$800 annual pay supplement will be an effective incentive for correctional officers to complete the annual training.

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- According to TCI, the annual turnover rate for correctional officers is approximately 25 percent. TCI estimates that the percentage of officers who will complete the annual training and be eligible for the supplement is 70 percent.
- Therefore, the increase in state expenditures to provide the supplements is estimated to be \$3,692,080 [$\$800 \times (6,593 \text{ officers} \times 70\%)$] in FY22-23.
- It is assumed that an unknown percentage of the vacant correction officer positions will be filled in the coming years.
- Therefore, the recurring increase in state expenditures to provide the supplements is estimated to exceed \$3,692,080 in FY23-24 and subsequent years.
- The POST commission will require an additional position to administer the pay supplement program.
- The increase in state expenditures associated for the additional position is estimated to be \$78,560 (\$57,228 salary + \$16,432 benefits + \$3,300 office setup + \$1,600 administrative expenses) in FY22-23.
- The recurring increase in state expenditures associated for the additional position is estimated to be \$75,260 (\$57,228 salary + \$16,432 benefits + \$1,600 administrative expenses) in FY23-24 and subsequent years.
- The total increase in state expenditures is estimated to be \$3,770,640 (\$3,692,080 + \$78,560) in FY22-23.
- The total recurring increase in state expenditures is estimated to exceed \$3,767,340 (\$3,692,080 + \$75,260) in FY23-24 and subsequent years.
- It is assumed that any increase in local government expenditures to process the pay supplements will be not significant as qualified correctional officers are employees of such governments.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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